



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5674

by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

See Index

Amends the Clinical Psychologist Licensing Act, the Clinical Social Work and Social Work Practice Act, the Marriage and Family Therapy Licensing Act, and the Professional Counselor and Clinical Professional Counselor Licensing and Practice Act. Adds limited liability companies to the types of entities that may be granted licenses to provide services under the Acts. Adds provisions to the Acts regarding confidentiality of information collected by the Department of Financial and Professional Regulation in the course of examinations and investigations under the Acts. Amends the Professional Service Corporation Act. Makes changes in definitions of "ancillary personnel", "regulating authority", and "related professional services". Provides that a separate application shall be submitted for each business location in Illinois, and if the corporation is using more than one fictitious or assumed name and has an address different from that of the parent company, a separate application shall be submitted for each fictitious or assumed name. Makes changes concerning disciplinary grounds under the Act. Adds provisions concerning notices of violation and confidentiality of certain information collected under the Act. Amends the Medical Corporation Act. Provides that a separate application shall be submitted for each business location in Illinois, and if the corporation is using more than one fictitious or assumed name and has an address different from that of the parent company, a separate application shall be submitted for each fictitious or assumed name. Makes changes concerning disciplinary grounds under the Act, notice of hearing, proceedings for judicial review, and shareholders of a medical corporation. Adds provisions concerning notices of violation and confidentiality of certain information collected under the Act. Makes other changes.

LRB098 16200 ZMM 51259 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Clinical Psychologist Licensing Act is
5 amended by changing Section 3 and by adding Section 24.2 as
6 follows:

7 (225 ILCS 15/3) (from Ch. 111, par. 5353)

8 (Section scheduled to be repealed on January 1, 2017)

9 Sec. 3. Necessity of license; corporations, limited
10 liability companies, partnerships, and associations; display
11 of license.

12 (a) No individual, partnership, association or corporation
13 shall, without a valid license as a clinical psychologist
14 issued by the Department, in any manner hold himself or herself
15 out to the public as a psychologist or clinical psychologist
16 under the provisions of this Act or render or offer to render
17 clinical psychological services as defined in paragraph 7 of
18 Section 2 of this Act; or attach the title "clinical
19 psychologist", "psychologist" or any other name or designation
20 which would in any way imply that he or she is able to practice
21 as a clinical psychologist; or offer to render or render, to
22 individuals, corporations or the public, clinical
23 psychological services as defined in paragraph 7 of Section 2

1 of this Act.

2 No person may engage in the practice of clinical
3 psychology, as defined in paragraph (5) of Section 2 of this
4 Act, without a license granted under this Act, except as
5 otherwise provided in this Act.

6 (b) No association or partnership shall be granted a
7 license and no limited liability company shall provide, attempt
8 to provide, or offer to provide clinical psychological services
9 unless every member, partner, and employee of the association,
10 ~~or~~ partnership, or limited liability company who renders
11 clinical psychological services holds a currently valid
12 license issued under this Act. No license shall be issued by
13 the Department to a corporation that (i) has a stated purpose
14 that includes clinical psychology, or (ii) practices or holds
15 itself out as available to practice clinical psychology, unless
16 it is organized under the Professional Service Corporation Act.

17 (c) Individuals, corporations, limited liability
18 companies, partnerships, and associations may employ practicum
19 students, interns or postdoctoral candidates seeking to
20 fulfill educational requirements or the professional
21 experience requirements needed to qualify for a license as a
22 clinical psychologist to assist in the rendering of services,
23 provided that such employees function under the direct
24 supervision, order, control and full professional
25 responsibility of a licensed clinical psychologist in the
26 corporation, limited liability company, partnership, or

1 association. Nothing in this paragraph shall prohibit a
2 corporation, limited liability company, partnership, or
3 association from contracting with a licensed health care
4 professional to provide services.

5 (d) Nothing in this Act shall prevent the employment, by a
6 clinical psychologist, individual, association, partnership,
7 limited liability company, or a corporation furnishing
8 clinical psychological services for remuneration, of persons
9 not licensed as clinical psychologists under the provisions of
10 this Act to perform services in various capacities as needed,
11 provided that such persons are not in any manner held out to
12 the public as rendering clinical psychological services as
13 defined in paragraph 7 of Section 2 of this Act. Nothing
14 contained in this Act shall require any hospital, clinic, home
15 health agency, hospice, or other entity that provides health
16 care services to employ or to contract with a clinical
17 psychologist licensed under this Act to perform any of the
18 activities under paragraph (5) of Section 2 of this Act.

19 (e) Nothing in this Act shall be construed to limit the
20 services and use of official title on the part of a person, not
21 licensed under the provisions of this Act, in the employ of a
22 State, county or municipal agency or other political
23 subdivision insofar that such services are a part of the duties
24 in his or her salaried position, and insofar that such services
25 are performed solely on behalf of his or her employer.

26 Nothing contained in this Section shall be construed as

1 permitting such person to offer their services as psychologists
2 to any other persons and to accept remuneration for such
3 psychological services other than as specifically excepted
4 herein, unless they have been licensed under the provisions of
5 this Act.

6 (f) Duly recognized members of any bonafide religious
7 denomination shall not be restricted from functioning in their
8 ministerial capacity provided they do not represent themselves
9 as being clinical psychologists or providing clinical
10 psychological services.

11 (g) Nothing in this Act shall prohibit individuals not
12 licensed under the provisions of this Act who work in self-help
13 groups or programs or not-for-profit organizations from
14 providing services in those groups, programs, or
15 organizations, provided that such persons are not in any manner
16 held out to the public as rendering clinical psychological
17 services as defined in paragraph 7 of Section 2 of this Act.

18 (h) Nothing in this Act shall be construed to prevent a
19 person from practicing hypnosis without a license issued under
20 this Act provided that the person (1) does not otherwise engage
21 in the practice of clinical psychology including, but not
22 limited to, the independent evaluation, classification, and
23 treatment of mental, emotional, behavioral, or nervous
24 disorders or conditions, developmental disabilities,
25 alcoholism and substance abuse, disorders of habit or conduct,
26 the psychological aspects of physical illness, (2) does not

1 otherwise engage in the practice of medicine including, but not
2 limited to, the diagnosis or treatment of physical or mental
3 ailments or conditions, and (3) does not hold himself or
4 herself out to the public by a title or description stating or
5 implying that the individual is a clinical psychologist or is
6 licensed to practice clinical psychology.

7 (i) Every licensee under this Act shall prominently display
8 the license at the licensee's principal office, place of
9 business, or place of employment and, whenever requested by any
10 representative of the Department, must exhibit the license.

11 (Source: P.A. 94-870, eff. 6-16-06.)

12 (225 ILCS 15/24.2 new)

13 Sec. 24.2. Confidentiality. All information collected by
14 the Department in the course of an examination or investigation
15 of a licensee or applicant, including, but not limited to, any
16 complaint against a licensee filed with the Department and
17 information collected to investigate any such complaint, shall
18 be maintained for the confidential use of the Department and
19 shall not be disclosed. The Department may not disclose the
20 information to anyone other than law enforcement officials,
21 other regulatory agencies that have an appropriate regulatory
22 interest as determined by the Secretary, or a party presenting
23 a lawful subpoena to the Department. Information and documents
24 disclosed to a federal, State, county, or local law enforcement
25 agency shall not be disclosed by the agency for any purpose to

1 any other agency or person. A formal complaint filed against a
2 licensee by the Department or any order issued by the
3 Department against a licensee or applicant shall be a public
4 record, except as otherwise prohibited by law.

5 Section 10. The Clinical Social Work and Social Work
6 Practice Act is amended by changing Section 10 and by adding
7 Section 34.1 as follows:

8 (225 ILCS 20/10) (from Ch. 111, par. 6360)

9 (Section scheduled to be repealed on January 1, 2018)

10 Sec. 10. License restrictions and limitations.

11 (a) No person shall, without a license as a social worker
12 issued by the Department: (i) in any manner hold himself or
13 herself out to the public as a social worker under this Act;
14 (ii) use the title "social worker" or "licensed social worker";
15 or (iii) offer to render to individuals, corporations, or the
16 public social work services if the words "social work" or
17 "licensed social worker" are used to describe the person
18 offering to render or rendering the services or to describe the
19 services rendered or offered to be rendered.

20 (b) No person shall, without a license as a clinical social
21 worker issued by the Department: (i) in any manner hold himself
22 or herself out to the public as a clinical social worker or
23 licensed clinical social worker under this Act; (ii) use the
24 title "clinical social worker" or "licensed clinical social

1 worker"; or (iii) offer to render to individuals, corporations,
2 or the public clinical social work services if the words
3 "licensed clinical social worker" or "clinical social work" are
4 used to describe the person to render or rendering the services
5 or to describe the services rendered or offered to be rendered.

6 (c) Licensed social workers may not engage in independent
7 practice of clinical social work without a clinical social
8 worker license. In independent practice, a licensed social
9 worker shall practice at all times under the order, control,
10 and full professional responsibility of a licensed clinical
11 social worker, a licensed clinical psychologist, or a
12 psychiatrist, as defined in Section 1-121 of the Mental Health
13 and Developmental Disabilities Code.

14 (d) No association, ~~or~~ partnership, or limited liability
15 company shall provide, attempt to provide, or offer to provide
16 social work or clinical social work services ~~be granted a~~
17 ~~license~~ unless every member, partner, and employee of the
18 association, ~~or~~ partnership, or limited liability company who
19 practices social work or clinical social work, ~~or~~ who renders
20 social work or clinical social work services, holds a current
21 license issued under this Act. No ~~license shall be issued to a~~
22 corporation shall provide, attempt to provide, or offer to
23 provide social work or clinical social work services ~~, the~~
24 ~~stated purpose of which includes or that practices or holds~~
25 ~~itself out as available to practice social work or clinical~~
26 ~~social work~~ unless it is organized under the Professional

1 Service Corporation Act.

2 (Source: P.A. 90-150, eff. 12-30-97.)

3 (225 ILCS 20/34.1 new)

4 Sec. 34.1. Confidentiality. All information collected by
5 the Department in the course of an examination or investigation
6 of a licensee or applicant, including, but not limited to, any
7 complaint against a licensee filed with the Department and
8 information collected to investigate any such complaint, shall
9 be maintained for the confidential use of the Department and
10 shall not be disclosed. The Department may not disclose the
11 information to anyone other than law enforcement officials,
12 other regulatory agencies that have an appropriate regulatory
13 interest as determined by the Secretary, or a party presenting
14 a lawful subpoena to the Department. Information and documents
15 disclosed to a federal, State, county, or local law enforcement
16 agency shall not be disclosed by the agency for any purpose to
17 any other agency or person. A formal complaint filed against a
18 licensee by the Department or any order issued by the
19 Department against a licensee or applicant shall be a public
20 record, except as otherwise prohibited by law.

21 (225 ILCS 20/18 rep.)

22 Section 15. The Clinical Social Work and Social Work
23 Practice Act is amended by repealing Section 18.

1 Section 20. The Marriage and Family Therapy Licensing Act
2 is amended by changing Section 75 and by adding Section 156 as
3 follows:

4 (225 ILCS 55/75) (from Ch. 111, par. 8351-75)

5 (Section scheduled to be repealed on January 1, 2018)

6 Sec. 75. License restrictions and limitations. ~~Practice by~~
7 ~~corporations.~~ No association, partnership, or limited
8 liability company shall provide, attempt to provide, or offer
9 to provide marriage and family therapy services unless every
10 member, partner, and employee of the association, partnership,
11 or limited liability company, who practices marriage and family
12 therapy or who renders marriage and family therapy services
13 holds a current license issued under this Act. No ~~license shall~~
14 be issued by the Department to any corporation shall provide,
15 attempt to provide, or offer to provide ~~(i) that has a stated~~
16 ~~purpose that includes, or (ii) that practices or holds itself~~
17 ~~out as available to practice,~~ marriage and family therapy
18 services, unless it is organized under the Professional Service
19 Corporation Act.

20 (Source: P.A. 87-783.)

21 (225 ILCS 55/156 new)

22 Sec. 156. Confidentiality. All information collected by
23 the Department in the course of an examination or investigation
24 of a licensee or applicant, including, but not limited to, any

1 complaint against a licensee filed with the Department and
2 information collected to investigate any such complaint, shall
3 be maintained for the confidential use of the Department and
4 shall not be disclosed. The Department may not disclose the
5 information to anyone other than law enforcement officials,
6 other regulatory agencies that have an appropriate regulatory
7 interest as determined by the Secretary, or a party presenting
8 a lawful subpoena to the Department. Information and documents
9 disclosed to a federal, State, county, or local law enforcement
10 agency shall not be disclosed by the agency for any purpose to
11 any other agency or person. A formal complaint filed against a
12 licensee by the Department or any order issued by the
13 Department against a licensee or applicant shall be a public
14 record, except as otherwise prohibited by law.

15 Section 25. The Professional Counselor and Clinical
16 Professional Counselor Licensing and Practice Act is amended by
17 changing Section 20 as follows:

18 (225 ILCS 107/20)

19 (Section scheduled to be repealed on January 1, 2023)

20 Sec. 20. Restrictions and limitations.

21 (a) No person shall, without a valid license as a
22 professional counselor issued by the Department: (i) in any
23 manner hold himself or herself out to the public as a
24 professional counselor under this Act; (ii) attach the title

1 "professional counselor" or "licensed professional counselor";
2 or (iii) offer to render or render to individuals,
3 corporations, or the public professional counseling services.

4 (b) No person shall, without a valid license as a clinical
5 professional counselor issued by the Department: (i) in any
6 manner hold himself or herself out to the public as a clinical
7 professional counselor or licensed clinical professional
8 counselor under this Act; (ii) attach the title "clinical
9 professional counselor" or "licensed clinical professional
10 counselor"; or (iii) offer to render to individuals,
11 corporations, or the public clinical professional counseling
12 services.

13 (c) (Blank).

14 (d) No association, limited liability company, or
15 partnership shall provide, attempt to provide, or offer to
16 provide ~~practice~~ clinical professional counseling or
17 professional counseling services unless every member, partner,
18 and employee of the association, limited liability company, or
19 partnership who practices professional counseling or clinical
20 professional counseling, or who renders professional
21 counseling or clinical professional counseling services, holds
22 a currently valid license issued under this Act. No ~~license~~
23 ~~shall be issued to a~~ corporation shall provide, attempt to
24 provide, or offer to provide , ~~the stated purpose of which~~
25 ~~includes or which practices or which holds itself out as~~
26 ~~available to practice~~ professional counseling or clinical

1 professional counseling services unless it is organized under
2 the Professional Service Corporation Act.

3 (e) Nothing in this Act shall be construed as permitting
4 persons licensed as professional counselors or clinical
5 professional counselors to engage in any manner in the practice
6 of medicine in all its branches as defined by law in this
7 State.

8 (f) When, in the course of providing professional
9 counseling or clinical professional counseling services to any
10 person, a professional counselor or clinical professional
11 counselor licensed under this Act finds indication of a disease
12 or condition that in his or her professional judgment requires
13 professional service outside the scope of practice as defined
14 in this Act, he or she shall refer that person to a physician
15 licensed to practice medicine in all of its branches or another
16 appropriate health care practitioner.

17 (Source: P.A. 97-706, eff. 6-25-12.)

18 Section 30. The Professional Service Corporation Act is
19 amended by changing Sections 2, 3.1, 3.2, 3.6, 12, 12.1, and 13
20 and by adding Sections 13.5 and 15.5 as follows:

21 (805 ILCS 10/2) (from Ch. 32, par. 415-2)

22 Sec. 2. It is the legislative intent to provide for the
23 incorporation of an individual or group of individuals to
24 render the same professional service or related professional

1 services to the public for which such individuals are required
2 by law to be licensed or to obtain other legal authorization,
3 while preserving the established professional aspects of the
4 personal relationship between the professional person and
5 those he or she serves professionally.

6 (Source: P.A. 78-783.)

7 (805 ILCS 10/3.1) (from Ch. 32, par. 415-3.1)

8 Sec. 3.1. "Ancillary personnel" means such person acting in
9 their customary capacities, employed by those rendering a
10 professional service who:

11 (1) Are not licensed to engage in the category of
12 professional service for which a professional corporation was
13 formed; and

14 (2) Work at the direction or under the supervision of those
15 who are so licensed; and

16 (3) Do not hold themselves out to the public generally as
17 being authorized to engage in the practice of the profession
18 for which the corporation is licensed; and

19 (4) Are not prohibited by the regulating ~~licensing~~
20 authority, regulating the category of professional service
21 rendered by the corporation from being so employed and includes
22 clerks, secretaries, technicians and other assistants who are
23 not usually and ordinarily considered by custom and practice to
24 be rendering the professional services for which the
25 corporation was formed.

1 (Source: P.A. 77-565.)

2 (805 ILCS 10/3.2) (from Ch. 32, par. 415-3.2)

3 Sec. 3.2. "Regulating authority" means the ~~State board,~~
4 ~~department, agency or~~ the Supreme Court of Illinois (in the
5 case of attorneys at law), the Department of Financial and
6 Professional Regulation, or other State board, department, or
7 agency having jurisdiction to grant a license to render the
8 category of professional service for which a professional
9 corporation has been organized, or the United States Patent
10 Office, or the Internal Revenue Service of the United States
11 Treasury Department.

12 (Source: P.A. 78-561.)

13 (805 ILCS 10/3.6) (from Ch. 32, par. 415-3.6)

14 Sec. 3.6. "Related professions" and "related professional
15 services" mean more than one personal service which requires as
16 a condition precedent to the rendering thereof the obtaining of
17 a license and which prior to October 1, 1973 could not be
18 performed by a corporation by reason of law; provided, however,
19 that these terms shall be restricted to:

20 (1) a combination of 2 ~~two~~ or more of the following
21 personal services: (a) "architecture" as defined in
22 Section 5 of the Illinois Architecture Practice Act of
23 1989, (b) "professional engineering" as defined in Section
24 4 of the Professional Engineering Practice Act of 1989, (c)

1 "structural engineering" as defined in Section 5 of the
2 Structural Engineering Practice Act of 1989, (d) "land
3 surveying" as defined in Section 2 of the Illinois
4 Professional Land Surveyor Act of 1989; or

5 (2) a combination of the following personal services:

6 (a) the practice of medicine by persons licensed under the
7 Medical Practice Act of 1987, (b) the practice of podiatry
8 as defined in ~~Section 5~~ of the Podiatric Medical Practice
9 Act of 1987, (c) the practice of dentistry as defined in
10 the Illinois Dental Practice Act, (d) the practice of
11 optometry as defined in the Illinois Optometric Practice
12 Act of 1987.

13 (3) a combination of 2 or more of the following
14 personal services: (a) the practice of clinical psychology
15 by persons licensed under the Clinical Psychologist
16 Licensing Act, (b) the practice of social work or clinical
17 social work by persons licensed under the Clinical Social
18 Work and Social Work Practice Act, (c) the practice of
19 marriage and family therapy by persons licensed under the
20 Marriage and Family Therapy Licensing Act, (d) the practice
21 of professional counseling or clinical professional
22 counseling by persons licensed under the Professional
23 Counselor and Clinical Professional Counselor Licensing
24 and Practice Act, and (e) the practice of sex offender
25 evaluations by persons licensed under the Sex Offender
26 Evaluation and Treatment Provider Act.

1 (4) a combination of 2 or more of the following
2 personal services: (a) the practice of acupuncture by
3 persons licensed under the Acupuncture Practice Act, (b)
4 the practice of massage by persons licensed under the
5 Massage Licensing Act, (c) the practice of naprapathy by
6 persons licensed under the Naprapathic Practice Act, (d)
7 the practice of occupational therapy by persons licensed
8 under the Illinois Occupational Therapy Practice Act, and
9 (e) the practice of physical therapy by persons licensed
10 under the Illinois Physical Therapy Act.

11 (Source: P.A. 95-738, eff. 1-1-09.)

12 (805 ILCS 10/12) (from Ch. 32, par. 415-12)

13 Sec. 12. (a) No corporation shall open, operate or maintain
14 an establishment for any of the purposes for which a
15 corporation may be organized under this Act without a
16 certificate of registration from the regulating authority
17 authorized by law to license individuals to engage in the
18 profession or related professions concerned. Application for
19 such registration shall be made in writing, and shall contain
20 the name and address of the corporation, and such other
21 information as may be required by the regulating authority.
22 Upon receipt of such application, the regulating authority, or
23 some administrative agency of government designated by it,
24 shall make an investigation of the corporation. If the
25 regulating authority is the Supreme Court it may designate the

1 bar or legal association which investigates and prefers charges
2 against lawyers to it for disciplining. If such authority finds
3 that the incorporators, officers, directors and shareholders
4 are each licensed pursuant to the laws of Illinois to engage in
5 the particular profession or related professions involved
6 (except that the secretary of the corporation need not be so
7 licensed), and if no disciplinary action is pending before it
8 against any of them, and if it appears that the corporation
9 will be conducted in compliance with the law and the
10 regulations and rules of the regulating authority, such
11 authority, shall issue, upon payment of a registration fee of
12 \$50, a certificate of registration.

13 A separate application shall be submitted for each business
14 location in Illinois. If the corporation is using more than one
15 fictitious or assumed name and has an address different from
16 that of the parent company, a separate application shall be
17 submitted for each fictitious or assumed name.

18 Upon written application of the holder, the regulating
19 authority which originally issued the certificate of
20 registration shall renew the certificate if it finds that the
21 corporation has complied with its regulations and the
22 provisions of this Act.

23 The fee for the renewal of a certificate of registration
24 shall be calculated at the rate of \$40 per year.

25 The certificate of registration shall be conspicuously
26 posted upon the premises to which it is applicable, ~~and the~~

1 ~~professional corporation shall have only those offices which~~
2 ~~are designated by street address in the articles of~~
3 ~~incorporation, or as changed by amendment of such articles.~~ No
4 certificate of registration shall be assignable.

5 (b) Moneys collected under this Section from a professional
6 corporation organized to practice law shall be deposited into
7 the Supreme Court Special Purposes Fund.

8 (c) After the effective date of this amendatory Act of the
9 98th General Assembly, the amount of any fee collected under
10 this Section from a professional corporation organized to
11 practice law may be set by Supreme Court rule, except that the
12 amount of the fees shall remain as set by statute until the
13 Supreme Court adopts rules specifying a higher or lower fee
14 amount.

15 (Source: P.A. 98-324, eff. 10-1-13.)

16 (805 ILCS 10/12.1) (from Ch. 32, par. 415-12.1)

17 Sec. 12.1. Any corporation which on 2 occasions issues or
18 delivers a check or other order to the Department of Financial
19 and Professional Regulation which is not honored by the
20 financial institution upon which it is drawn because of
21 insufficient funds on account, shall pay to the Department, in
22 addition to the amount owing upon such check or other order, a
23 fee of \$50. If such check or other order was issued or
24 delivered in payment of a renewal fee and the corporation whose
25 certificate of registration has lapsed continues to practice as

1 a corporation without paying the renewal fee and the \$50 fee
2 required under this Section, an additional fee of \$100 shall be
3 imposed for practicing without a current license. The
4 Department shall notify the corporation whose certificate of
5 registration has lapsed, within 30 days after the discovery by
6 the Department that such corporation is operating without a
7 current certificate, that the corporation is operating without
8 a certificate, and of the amount due to the Department, which
9 shall include the lapsed renewal fee and all other fees
10 required by this Section. If after the expiration of 30 days
11 from the date of such notification, the corporation whose
12 certificate has lapsed seeks a current certificate, it shall
13 thereafter apply to the Department for reinstatement of the
14 certificate and pay all fees due to the Department. The
15 Department may establish a fee for the processing of an
16 application for reinstatement of a certificate which allows the
17 Department to pay all costs and expenses incident to the
18 processing of this application. The Director may waive the fees
19 due under this Section in individual cases where he finds that
20 in the particular case such fees would be unreasonable or
21 unnecessarily burdensome.

22 (Source: P.A. 85-1209.)

23 (805 ILCS 10/13) (from Ch. 32, par. 415-13)

24 Sec. 13. The regulating authority which issued the
25 certificate of registration may suspend or revoke the

1 certificate or may otherwise discipline the certificate holder

2 ~~it~~ for any of the following reasons:

3 (a) The revocation or suspension of the license to practice
4 the profession of any officer, director, shareholder or
5 employee not promptly removed or discharged by the corporation;

6 (b) unethical professional conduct on the part of any officer,
7 director, shareholder or employee not promptly removed or
8 discharged by the corporation; (c) the death of the last

9 remaining shareholder; (d) upon finding that the holder of a
10 certificate has failed to comply with the provisions of this

11 Act or the regulations prescribed by the regulating authority
12 that issued it; or (e) the failure to file a return, or to pay

13 the tax, penalty or interest shown in a filed return, or to pay
14 any final assessment of tax, penalty or interest, as required

15 by any tax Act administered by the Illinois Department of
16 Revenue, until such time as the requirements of any such tax

17 Act are satisfied.

18 Before any certificate of registration is suspended or

19 revoked, the holder shall be given written notice of the
20 proposed action and the reasons therefor, and shall provide a

21 public hearing by the regulating authority, with the right to
22 produce testimony and other evidence concerning the charges

23 made. The notice shall also state the place and date of the
24 hearing which shall be at least 10 days after service of said

25 notice.

26 All orders of regulating authorities denying an

1 application for a certificate of registration, ~~or~~ suspending or
2 revoking a certificate of registration, or imposing a civil
3 penalty shall be subject to judicial review pursuant to the
4 provisions of the Administrative Review Law, as now or
5 hereafter amended, and the rules adopted pursuant thereto then
6 in force.

7 The proceedings for judicial review shall be commenced in
8 the circuit court of the county in which the party applying for
9 review is located. If the party is not currently located in
10 Illinois, the venue shall be in Sangamon County. The regulating
11 authority shall not be required to certify any record to the
12 court or file any answer in court or otherwise appear in any
13 court in a judicial review proceeding, unless and until the
14 regulating authority has received from the plaintiff payment of
15 the costs of furnishing and certifying the record, which costs
16 shall be determined by the regulating authority. Exhibits shall
17 be certified without cost. Failure on the part of the plaintiff
18 to file a receipt in court is grounds for dismissal of the
19 action.

20 (Source: P.A. 85-1222.)

21 (805 ILCS 10/13.5 new)

22 Sec. 13.5. Notice of violation. Whenever the regulating
23 authority has reason to believe a corporation has opened,
24 operated, or maintained an establishment for any of the
25 purposes for which a corporation may be organized under this

1 Act without a certificate of registration from the regulating
2 authority authorized by law to license individuals to engage in
3 the profession or related professions, the regulating
4 authority may issue a notice of violation to the corporation.
5 The notice of violation shall provide a period of 30 days from
6 the date of the notice to either file an answer to the
7 satisfaction of the regulating authority or submit an
8 application for registration in compliance with this Act,
9 including payment of the \$50 application fee and a late fee of
10 \$100 for each year that the corporation opened, operated, or
11 maintained an establishment for any of the purposes for which a
12 corporation may be organized under this Act without having been
13 issued a certificate of registration, with a maximum late fee
14 of \$500. If the corporation that is the subject of the notice
15 of violation fails to respond, fails to respond to the
16 satisfaction of the regulating authority, or fails to submit an
17 application for registration, the regulating authority may
18 institute disciplinary proceedings against the corporation and
19 may impose a civil penalty up to \$10,000 for violation of this
20 Act after affording the corporation a hearing in conformance
21 with the requirements of this Act.

22 (805 ILCS 10/15.5 new)

23 Sec. 15.5. Confidentiality. All information collected by
24 the regulating authority in the course of an examination or
25 investigation of a holder of a certificate of registration or

1 an applicant, including, but not limited to, any complaint
2 against a holder of a certificate of registration filed with
3 the regulating authority and information collected to
4 investigate any such complaint, shall be maintained for the
5 confidential use of the regulating authority and shall not be
6 disclosed. The regulating authority may not disclose the
7 information to anyone other than law enforcement officials,
8 other regulatory agencies that have an appropriate regulatory
9 interest as determined by the regulating authority, or a party
10 presenting a lawful subpoena to the regulating authority.
11 Information and documents disclosed to a federal, State,
12 county, or local law enforcement agency shall not be disclosed
13 by the agency for any purpose to any other agency or person. A
14 formal complaint filed against a holder of a certificate of
15 registration by the regulating authority or any order issued by
16 the regulating authority against a holder of a certificate of
17 registration or an applicant shall be a public record, except
18 as otherwise prohibited by law.

19 Section 35. The Medical Corporation Act is amended by
20 changing Sections 2, 5, 5.1, 8, 10, 11, 12, 13, and 15 and by
21 adding Sections 13.5 and 16.5 as follows:

22 (805 ILCS 15/2) (from Ch. 32, par. 632)

23 Sec. 2. One or more persons licensed pursuant to the
24 Medical Practice Act of 1987, as heretofore or hereafter

1 amended, may form a corporation pursuant to the "Business
2 Corporation Act of 1983", as amended, to own, operate and
3 maintain an establishment for the study, diagnosis and
4 treatment of human ailments and injuries, whether physical or
5 mental, and to promote medical, surgical and scientific
6 research and knowledge; provided that medical or surgical
7 treatment, consultation or advice may be given by shareholders,
8 directors, officers, agents, and employees of the corporation
9 only if they are licensed pursuant to the Medical Practice Act
10 of 1987; and provided further, however, that nothing herein
11 shall prohibit an attorney licensed to practice law in Illinois
12 from signing and acting as initial incorporator on behalf of
13 such corporation.

14 (Source: P.A. 85-1209.)

15 (805 ILCS 15/5) (from Ch. 32, par. 635)

16 Sec. 5. No corporation shall open, operate or maintain an
17 establishment for any of the purposes set forth in Section 2 of
18 this Act without a certificate of registration from the
19 Department of Financial and Professional Regulation,
20 hereinafter called the Department. Application for such
21 registration shall be made to the Department in writing and
22 shall contain the name and address of the corporation and such
23 other information as may be required by the Department. A
24 separate application shall be submitted for each business
25 location in Illinois. If the corporation is using more than one

1 fictitious or assumed name and has an address different from
2 that of the parent company, a separate application shall be
3 submitted for each fictitious or assumed name. Upon receipt of
4 such application, the Department shall make an investigation of
5 the corporation. If the Department finds that the
6 incorporators, officers, directors and shareholders are all
7 licensed pursuant to the Medical Practice Act of 1987 and if no
8 disciplinary action is pending before the Department against
9 any of them, and if it appears that the corporation will be
10 conducted in compliance with law and the regulations of the
11 Department, the Department shall issue, upon payment of a
12 registration fee of \$50, a certificate of registration.

13 (Source: P.A. 85-1209.)

14 (805 ILCS 15/5.1)

15 Sec. 5.1. Deposit of fees and fines. Beginning July 1,
16 2003, all of the fees, civil penalties, and fines collected
17 under this Act shall be deposited into the General Professions
18 Dedicated Fund.

19 (Source: P.A. 93-32, eff. 7-1-03.)

20 (805 ILCS 15/8) (from Ch. 32, par. 638)

21 Sec. 8. In the event of a change of location of the
22 registered establishment, the corporation shall notify the
23 Department, in accordance with its regulations, and the
24 Department shall amend the certificate of registration so that

1 it shall apply to the new location.

2 (Source: Laws 1963, p. 3513.)

3 (805 ILCS 15/10) (from Ch. 32, par. 640)

4 Sec. 10. The Department may suspend or revoke any
5 certificate of registration or may otherwise discipline the
6 certificate holder for any of the following reasons: (a) the
7 revocation or suspension of the license to practice medicine of
8 any officer, director, shareholder or employee not promptly
9 removed or discharged by the corporation; (b) unethical
10 professional conduct on the part of any officer, director,
11 shareholder or employee not promptly removed or discharged by
12 the corporation; (c) the death of the last remaining
13 shareholder; or (d) upon finding that the holder of a
14 certificate has failed to comply with the provisions of this
15 Act or the regulations prescribed by the Department.

16 The Department may refuse to issue or renew or may suspend
17 the certificate of any corporation which fails to file a
18 return, or to pay the tax, penalty or interest shown in a filed
19 return, or to pay any final assessment of tax, penalty or
20 interest, as required by any tax Act administered by the
21 Illinois Department of Revenue, until such time as the
22 requirements of any such tax Act are satisfied.

23 (Source: P.A. 85-1222.)

24 (805 ILCS 15/11) (from Ch. 32, par. 641)

1 Sec. 11. Before any certificate of registration is
2 suspended or revoked, the holder shall be given written notice
3 of the proposed action and the reasons therefor, and shall be
4 given a public hearing by the Department with the right to
5 produce testimony concerning the charges made. The notice shall
6 also state the place and date of the hearing which shall be at
7 least 10 ~~5~~ days after service of said notice.

8 (Source: Laws 1963, p. 3513.)

9 (805 ILCS 15/12) (from Ch. 32, par. 642)

10 Sec. 12. The provisions of the Administrative Review Law,
11 as heretofore or hereafter amended, and all rules adopted
12 pursuant thereto, shall apply to and govern all proceedings for
13 the judicial review of final administrative decisions of the
14 Department hereunder. The term "administrative decision" is
15 defined as in Section 3-101 of the Code of Civil Procedure.

16 The proceedings for judicial review shall be commenced in
17 the circuit court of the county in which the party applying for
18 review is located. If the party is not currently located in
19 Illinois, the venue shall be in Sangamon County. The Department
20 shall not be required to certify any record to the court or
21 file any answer in court or otherwise appear in any court in a
22 judicial review proceeding, unless and until the Department has
23 received from the plaintiff payment of the costs of furnishing
24 and certifying the record, which costs shall be determined by
25 the Department. Exhibits shall be certified without cost.

1 Failure on the part of the plaintiff to file a receipt in court
2 is grounds for dismissal of the action.

3 (Source: P.A. 82-783.)

4 (805 ILCS 15/13) (from Ch. 32, par. 643)

5 Sec. 13. (a) All of the officers, directors and
6 shareholders of a corporation subject to this Act shall at all
7 times be persons licensed pursuant to the Medical Practice Act
8 of 1987. No person who is not so licensed shall have any part
9 in the ownership, management, or control of such corporation,
10 nor may any proxy to vote any shares of such corporation be
11 given to a person who is not so licensed. Notwithstanding any
12 provisions to the contrary in the "Business Corporation Act of
13 1983", as now or hereafter amended, if all of the shares of a
14 corporation subject to this Act are owned by one shareholder,
15 the office of president and secretary may be held by the same
16 person.

17 (b) No corporation may issue any of its capital stock to
18 anyone other than an individual who is duly licensed under the
19 Medical Practice Act of 1987. No shareholder shall enter into a
20 voting trust agreement or any other type of agreement vesting
21 another person with the authority to exercise the voting power
22 of any of his or her stock.

23 (c) A corporation may, for purposes of dissolution, have as
24 its shareholders, directors, officers, agents, and employees
25 individuals who are not licensed under the Medical Practice Act

1 of 1987, provided that the corporation does not render any
2 medical services nor hold itself out as capable of or available
3 to render medical services during the period of dissolution.
4 The Department shall not issue or renew any certificate of
5 authority to a corporation during the period of dissolution. A
6 copy of the certificate of dissolution, as issued by the
7 Secretary of State, shall be delivered to the Department within
8 30 days after its receipt by the incorporators.

9 (Source: P.A. 85-1209.)

10 (805 ILCS 15/13.5 new)

11 Sec. 13.5. Notice of violation. Whenever the Department has
12 reason to believe a corporation has opened, operated, or
13 maintained an establishment for any of the purposes for which a
14 corporation may be organized under this Act without a
15 certificate of registration from the Department, the
16 Department may issue a notice of violation to the corporation.
17 The notice of violation shall provide a period of 30 days from
18 the date of the notice to either file an answer to the
19 satisfaction of the Department or submit an application for
20 registration in compliance with this Act, including payment of
21 the \$50 application fee and a late fee of \$100 for each year
22 that the corporation opened, operated, or maintained an
23 establishment for any of the purposes for which a corporation
24 may be organized under this Act without having been issued a
25 certification of registration, with a maximum late fee of \$500.

1 If the corporation that is the subject of the notice of
2 violation fails to respond, fails to respond to the
3 satisfaction of the Department, or fails to submit an
4 application for registration, the Department may institute
5 disciplinary proceedings against the corporation and may
6 impose a civil penalty up to \$10,000 for violation of this Act
7 after affording the corporation a hearing in conformance with
8 the requirements of this Act.

9 (805 ILCS 15/15) (from Ch. 32, par. 645)

10 Sec. 15. Each individual shareholder, director, officer,
11 agent, or employee licensed pursuant to the Medical Practice
12 Act of 1987 who is employed by a corporation subject to this
13 Act shall remain subject to ~~reprimand or~~ discipline for his
14 conduct under the provisions of the Medical Practice Act of
15 1987.

16 (Source: P.A. 85-1209.)

17 (805 ILCS 15/16.5 new)

18 Sec. 16.5. Confidentiality. All information collected by
19 the Department in the course of an examination or investigation
20 of a holder of a certificate of registration or an applicant,
21 including, but not limited to, any complaint against a holder
22 of a certificate of registration filed with the Department and
23 information collected to investigate any such complaint, shall
24 be maintained for the confidential use of the Department and

1 shall not be disclosed. The Department may not disclose the
2 information to anyone other than law enforcement officials,
3 other regulatory agencies that have an appropriate regulatory
4 interest as determined by the Secretary, or a party presenting
5 a lawful subpoena to the Department. Information and documents
6 disclosed to a federal, State, county, or local law enforcement
7 agency shall not be disclosed by the agency for any purpose to
8 any other agency or person. A formal complaint filed against a
9 holder of a certificate of registration by the Department or
10 any order issued by the Department against a holder of a
11 certificate of registration or an applicant shall be a public
12 record, except as otherwise prohibited by law.

1	INDEX	
2	Statutes amended in order of appearance	
3	225 ILCS 15/3	from Ch. 111, par. 5353
4	225 ILCS 15/24.2 new	
5	225 ILCS 20/10	from Ch. 111, par. 6360
6	225 ILCS 20/34.1 new	
7	225 ILCS 20/18 rep.	
8	225 ILCS 55/75	from Ch. 111, par. 8351-75
9	225 ILCS 55/156 new	
10	225 ILCS 107/20	
11	805 ILCS 10/2	from Ch. 32, par. 415-2
12	805 ILCS 10/3.1	from Ch. 32, par. 415-3.1
13	805 ILCS 10/3.2	from Ch. 32, par. 415-3.2
14	805 ILCS 10/3.6	from Ch. 32, par. 415-3.6
15	805 ILCS 10/12	from Ch. 32, par. 415-12
16	805 ILCS 10/12.1	from Ch. 32, par. 415-12.1
17	805 ILCS 10/13	from Ch. 32, par. 415-13
18	805 ILCS 10/13.5 new	
19	805 ILCS 10/15.5 new	
20	805 ILCS 15/2	from Ch. 32, par. 632
21	805 ILCS 15/5	from Ch. 32, par. 635
22	805 ILCS 15/5.1	
23	805 ILCS 15/8	from Ch. 32, par. 638
24	805 ILCS 15/10	from Ch. 32, par. 640
25	805 ILCS 15/11	from Ch. 32, par. 641

- 1 805 ILCS 15/12 from Ch. 32, par. 642
- 2 805 ILCS 15/13 from Ch. 32, par. 643
- 3 805 ILCS 15/13.5 new
- 4 805 ILCS 15/15 from Ch. 32, par. 645
- 5 805 ILCS 15/16.5 new